No. 192.

Br. of Olney for Respondent

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JAMES H. McKENNEY,
Clerk.

Filed Nov. 12, 1900.

IN THE SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1900.

CLINTON E WORDEN & CO.,

APPELLANT AND PETITIONER,

vs.

CALIFORNIA FIG SYRUP CO.,

APPELLEE AND RESPONDENT.

BRIEF FOR RESPONDENT IN OPPOSITION TO GRANTING WRIT OF CERTIORARI.

WARREN OLNEY,
Of Counsel for Respondent.

IN THE SUPREME COURT OF THE UNITED STATES.

CLINTON E. WORDEN & CO.,
Petitioner,
vs.
CALIFORNIA FIG SYRUP COMPANY,
Respondent.

Brief for Respondent in Opposition to Granting Writ of Certiorari.

Notice having been given that application will be made to this Court for the issuance of a writ of certiorari to the Circuit Court of Appeals for the Ninth Circuit requiring it to certify the record in the cause entitled Clinton E. Worden & Co., Appellant, *vs.* California Fig Syrup Co., Appellee, for review by this Court, the appellee therein, and respondent here, appears and opposes the issuance of the writ. And in support of said opposition presents the following:

The ground upon which the petition for the writ is based is that the decision sought to be reviewed of the Circuit Court of Appeals for the Ninth Circuit is in conflict with prior decisions in the Sixth and First Circuits.

That the claim is not true, in fact, appears from the decision itself. (P. 637 *et seq.* of Transcript of Record, 102 Fed. Rep., 336.)

But to show still more plainly how untenable the claim is, we present a short history of the previous litigation leading up to the present action :

In 1892, the California Fig Syrup Company instituted three suits, one in the Ninth Circuit for the District of California, entitled California Fig Syrup Co. *vs.* Improved Fig Syrup ; the second in the Sixth Circuit, District of Michigan, entitled California Fig Syrup Co. *vs.* Frederick Stearns & Co. ; the third in the First Circuit, District of Massachusetts, entitled California Fig Syrup Co. *vs.* Putnam.

All three actions were based on the theory that complainant had a *trade-mark* in the words "Syrup of Figs" as applied to a liquid laxative medicine, and that the respective defendants were pirating the name.

The California action came on for hearing first, on a motion for a preliminary injunction, before McKenna, Circuit Judge. (51 Fed Rep., 396.)

The learned judge in his oral opinion said it was a case of trade-mark, but placed his decision (see p. 297) not on the ground that complainant had the exclusive right to the use of the name "Syrup of Figs," but that the respondent had by the use of the words, and by other acts so far imitated plaintiff's packages as to represent defendant's goods as the goods of the plaintiff.

The defendant appealed, and the Circuit Court of Appeals, in 54 Fed. Reporter, 175, affirmed the judgment of the lower court.

The Court of Appeals held that the appellee (complainant in the court below) had a trade-mark in the name, "Syrup of Figs" or "Fig Syrup."

But the point really at issue, and the one argued by counsel, was, as to whether the complainant had a standing at all in court, for the reason, as most strenuously claimed, by appellant (defendant in the court below) that it (complainant) did not come into court with clean hands.

That was the question fought over, and decided, in favor of complainant.

After the decisions in the Ninth Circuit, the causes in the other circuits, above referred to, came on for hearing, and in each case the court dismissed the bill on the ground that complainant did not come into court with clean hands. In both cases the fraudulent conduct of the respective defendants was proven, and it was held that, but for the familiar maxim above stated, the complainant would have been entitled to relief. The particular act of turpitude which in the opinion of the court disentitled plaintiff to relief was this: Upon the cartons or boxes in which plaintiff enclosed its bottles, was printed in large capitals the words, "Syrup "of Figs presents in the most elegant form the laxative "and nutritious juice of the figs of California," followed by the words in smaller letters, "combined with the medicinal "virtues of other plants known to be most beneficial to the "human system." As matter of fact there was not enough fig juice in the composition to affect its character. For this reason the courts in the sixth and first circuits dismissed the respective bills.

California Fig Syrup *vs.* Putnam, 68 Fed. Rep., 750. Affirmed in 69 Fed. Rep., 740.

The opinion of the Circuit Court of Appeals in the sixth circuit is by Judge Taft and is quite elaborate.

California Fig Syrup Co. *vs.* Frederick Stearns & Co., 73 Fed. Rep., 812.

The Court held that the words "Syrup of Figs" cannot be appropriated as a trade-mark, but also holds (p. 816) that plaintiff would be entitled to relief on the ground of "*unfair competition*," but for the reason "that the complainant has "built up its business and made it valuable by an *inten-*

" *tional* deceit of the public. It has *intended* the public to " understand that the preparation which it sells has, as an " important medicinal agent in its composition, the juice " of California figs."

We have italicized the words "intentional" and "intended," for here is the point of the conflict between the former decisions above referred to by the Court of Appeals for the Ninth Circuit and the Court of Appeals of the Sixth and First Circuits. One holding there was no *intentional* deceit and the two others that there was. It is true that the courts conflicted on question of trade-mark, but that question has been eliminated in the case now sought to be reviewed. When these decisions were announced they showed a direct conflict between the judgments of two Circuit Courts of Appeal, *and yet this Court on the petition of the California Fig Syrup Co. refused a writ of certiorari to the First Circuit.*

California Fig Syrup Co. *vs.* Putnam 163 U. S. 678.

The ground upon which the motion for a writ was based was that there was a direct conflict between the decisions of the courts in the First and Sixth Circuits on the one hand and the Ninth Circuit on the other.

We come now to the case at bar and its connection with these former cases.

Immediately after the decisions in the First and Sixth Circuits the complainant changed its packages so as to meet the objections made by those courts. It completely eliminated from its wrappers and cartons all objectional matter, and advertised far and wide, in all the newspapers of the country, what the medicinal properties of the compound were, and that figs had nothing to do with it other than to promote a pleasant taste.

On every bottle of its medicine sold since the publication of the decision in the Sixth Circuit there has been printed in

plain capital letters these words: "This excellent remedy "presents in the most acceptable form the medicinally laxa- "tive principles of plants known to act most beneficially, to "cleanse the system effectually, to permanently cure habit- "ual constipation, and the many ills dependent on it, to "dispel colds and headaches, and prevent fevers, to act "gently yet promptly on the kidneys, liver and bowels.

"The juice of the figs in the combination is to promote "the pleasant taste."

On another side of the box are these words: "Its efficacy "and delicacy of flavor are due to the medicinal and agree- "able qualities of plants and aromatic carminatives, skill- "fully combined with pleasant liquids, among which may be "mentioned the juice of figs."

Opinion of Court, p. 640 *et seq.* of Record, also 102 Fed. Rep., p. 338; and Exhibit "A," in Record next preceding the opinion.

After these changes in the cartons or wrappers were made, the appellant, Clinton E. Worden & Co., flooded the markets of the Pacific Coast with a compound which it called "Syrup of Figs," purporting to be put up by different fig syrup companies, and induced retail druggists to buy the same by the plea that its compound was cheaper than the genuine medicine, and could be sold to customers in place of the genuine article.

Thereupon this suit was instituted. It was not, as stated by the petitioner, the contention of complainant in the court below that it has a trade-mark in the words "Syrup of Figs". At no time subsequent to the decision in the Sixth Circuit has complainant claimed a trade-mark in those words. What it claimed in this action, and does now claim, is that the term Syrup of Figs was unknown until complainant used it, and that it has now acquired with the

public and the drug trade a secondary meaning, viz, complainant's preparation when applied to a laxative medicine, and that the defendant is using the name to palm off upon unwary customers its (appellant's) compound as the complainant's medicine. In other words, it is a case of **unfair competition,** pure and simple.

This was the theory of complainant.

See opinion of Judge Morrow, 86 Fed. Rep., at p. 215, where he says:

"The bill of complaint in this case proceeds upon the "theory that the rights of the complainant have been in- "fringed by the defendants by unfair competition. It is "not strictly a charge of an infringement of a trade-mark, "although it has many of the elements of such a case; but "the facts alleged by the complainant plainly set forth for "the purpose of establishing the charge that the defendants "are engaged in an unfair and fraudulent competition "against the business of the complainant, conducted with "the intent on the part of the defendants to avail them- "selves of the reputation of the complainant to palm off "their goods as the goods prepared and put up by the com- "plainant. The main question is therefore one of fact, "since the law upon this subject has been settled by "numerous authorities."

And see decision upon final hearing reported in 95 Fed. Rep., page 132; Record, page 574.

See also opinion of Circuit Court of Appeals, Record, near bottom of page 639.

It also appears from this record (what was never shown before) that when the name "Syrup of Figs" was first applied to the compound it was then in fact a decoction of fig juice and senna. Afterwards when it came to be made in large quantities it was found that the fig juice fermented and cane sugar had to be substituted. In other words a different case was made out on the question of whether or not

there had been any deception of the public from the cases made out in the First and Sixth Circuits.

In the former actions, in the First and Sixth Circuits, no attempt was made by complainant to show how it came to use the name, nor that it had committed no *intentional* fraud.

Special attention was given to that matter in this case, and also in the original one fought out in the Ninth Circuit.

The real point involved in all the actions referred to, was whether the court, upon the facts presented, would listen to the complainant. If complainant is granted a hearing in court, the question of trade-mark cuts no figure, for though it has no trade-mark, it does have the right to relief on the ground of unfair competition.

Grounds for Issuing Writ of Certiorari.

We understand that this Court will not issue a writ to review the decision of a Circuit Court of Appeals unless it appears:

1. That two of the Circuit Courts of Appeals have decided the same question differently, or

2. That a question of real public interest is involved which requires speedy settlement by the highest Court in the land.

That the writ cannot issue upon the first ground is manifest, for there is no conflict. The opinion in the Record, page 540 *et seq.*, shows that fact conclusively. In both cases the question was, Has the complainant a standing in a court of equity? It was a question of fact. And the facts proven were materially different in the two cases. When, in former years, there was a real conflict between the decisions of the Ninth Circuit on the one hand and the First and Sixth Circuits on the other as to the rights of complainant (one holding that complainant had a trade-mark, the others that

it did not, and that it could not have relief on the ground of unfair competition because of its own turpitude), this Court refused the request of complainant to issue a writ to the First Circuit.

Does not a homely and very common proverb now apply, when application is made for the writ, as against the complainant?

The second ground, viz. that the public interests require this Court to determine whether the applicant for the writ is at liberty to steal the business of appellee and sell its goods as appellee's goods, is one that does not require discussion.

We ask that the writ be denied.

Since the foregoing was put in type appellant has served a brief in support of the application for a writ.

The basis of the argument, as we understand it, is that the Court of Appeals, Ninth Circuit, was mistaken in supposing that the case before it was different from the cases before the First and Sixth Circuits. But it is quite common for the unsuccessful litigant to firmly believe that the decision is directly in conflict with one to which he has called attention. There is just as good reason in three-fourths of the litigation in Federal courts for this Court to listen to complaints that the Circuit Courts of Appeals have not given proper heed to the authorities cited, as to listen to the plaint of the losing party here.

WARREN OLNEY,

Of Counsel for California Fig Syrup Co.